wants for Ms comfort is probably not greater, and very likely rather less, than the power which he got in 1896 from his 21 per cent. One of the few facts which seem to stand out clearly from a study of the movement of the prices of securities, and consequently of the rate of interest to be derived from them, is that the rate of interest is high when the price of commodities is high, and vice versa. So that the answer to the question: What is the rate of interest likely to be after the war ? may be given, in Quaker fashion, by another question : What will happen to the index number of the prices of commodities? It seems fairly probable that both these questions may be answered, very tentatively and diffidently, by the expression of a hope that after a time, when peace conditions have settled down and all the merchant ships of the world have been restored to their peaceful occupations, the general level of the price of commodities will be materially lower than it is now, though probably considerably higher than it was before the war. If this be so, then it is fairly safe to expect that the rate of interest, as expressed in money, will follow the movement of prices of goods. But it must be remembered that by rate of interest I mean the pure rate of interest, that is to say, the rate earned on perpetual fixed-charge securities of the highest class. It may be that, owing to the very large amount of

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securities created in the course of the war by the various warring Governments, the rate of proli^to be earned by the man who takes the risks of industry from dividends on ordinary shares and stocks will